

## **EMPLOYMENT MATTERS COMMITTEE**

**3 FEBRUARY 2016**

### **BENCHMARKING OF APPRENTICESHIP TRAINING ALLOWANCES**

Report from: Tricia Palmer, Assistant Director, Organisational Services

Author: Carrie McKenzie, Head of HR and Organisational Change

#### **Summary**

The report provides information on the training allowances for apprenticeships paid across local authorities in Kent and the workforce age profiling for our current apprentices.

#### **1. Budget and Policy Framework**

1.1 The Pay Policy lies within the Council's policy and budget framework and the Committee's terms of reference. Therefore, this is a matter for the Employment Matters Committee.

#### **2. Background**

2.1 Changes to the training allowance payable to apprentices were reviewed and agreed by this committee in June 2015.

2.2 The allowances were changed with immediate effect to the following rates:

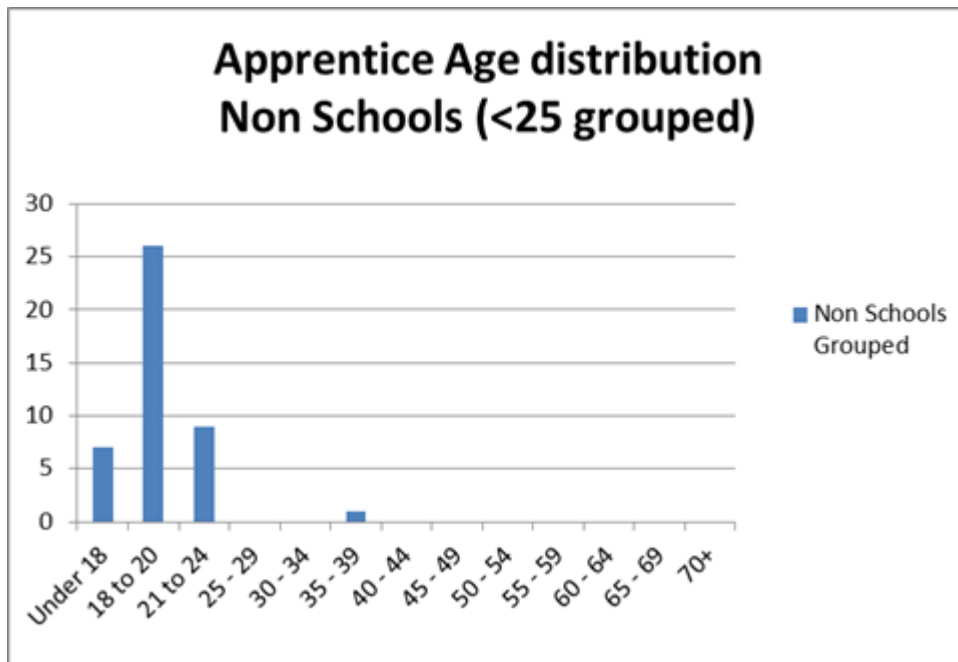
Level 2 - £110 per week

Level 3 - £130 per week

Level 4 - £160 per week

2.2 Members requested some more benchmarking information on other authorities across Kent which is attached at Appendix A.

2.3 Members also requested a breakdown of the age categories for our apprentices as laid out in the graph in 2.4



2.4

2.5 The unemployment rate within Medway for 18-24 year olds is 15% double the overall rate in Medway and higher than Kent (12.1%), South East (8.7%) and nationally (12.2%). (Figures provided by Economic Development – from Office of National Statistics). Providing apprenticeship opportunities is an essential part of supporting this age group into long term employment.

2.6 At the time of the last apprenticeship report to this committee in June 2015 we had 46 apprenticeships. Medway Council currently have 48 apprentices aged between 16 and 24 years of age. As part of our standard recruitment practices we work closely with our Looked after Children team to ensure that we are supporting some of the most vulnerable young people to gain access to work.

### 3. Advice and analysis

3.1 The training allowances offered whilst not the highest available, still remain competitive, and the numbers are increasing.

3.2 Medway Council is not experiencing a shortage of applications or a decline in quality of apprentices.

3.3 Apprenticeship allowances are reviewed nationally in October and we will look at the recommendations from the review and report back to this committee for them to consider and agree any proposed changes.

### 4. Consultation

4.1 Consultation on any further changes will have to be undertaken with trade unions and the employee forums.

### 5. Risk Management

- 5.1 Failing to implement the National Minimum Wage Regulations for Apprentices in a fair and consistent manner may result in successful legal challenges.
- 5.2 Failing to adhere to the Council's responsibilities under "the Act" could pose a legal challenge at employment tribunal.

## **6. Diversity Impact Assessment (DIA)**

- 6.1 As this report is for information purposes only and we are not making any recommendations for change a DIA is not required.

## **7. Financial and legal implications**

- 7.1 As this report is for information purposes only and we are not making any recommendations for change there are no financial implications.

## **8. Recommendations**

- 8.1 That the Employment Matters Committee reviews the benchmarking data.
- 8.2 That these allowances are reviewed in October with a report back to committee with any recommended changes.

### **Lead officer contact**

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### **Background papers**

None

### **Appendices:**

Appendix A - Comparison of Apprenticeship rates across Kent